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## IN SUPPORT OF U.S. SUPPLIER INTERESTS

### ZHUHAI, SHANWEI, YANCHENG, SHENZHEN EAST, NANHAI, YELE, SHENZHEN EAST, BEHAI, DENGFENG, SHANGHAI, DADONG, DALIAN AND ZHANGZE POWER PROJECTS

General Electric, Foster Wheeler, and Bechtel are competing for the Zhuhai power project in Guangdong Province. We understand the Eximbank is in contact with Hutchinson Power Development, the lead firm in the syndicate developing Zhuhai. Entergy is negotiating a joint venture to build, own, and operate the Shanwei power project in Guangdong Province. U.S. firms Foster Wheeler, Westinghouse, and AES Transpower are bidding on the Yancheng Power Project in Shanxi, and Shenzhen East in Shenzhen is of considerable interest to Foster Wheeler, Bechtel and other U.S. suppliers. Voith Hydro is competing for the Yele Hydroelectric Project in Sichuan.

A U.S. consortium led by New Asia Holdings is competing for the Behai Power project. The Wing Group is competing for the Shanghai Power project and the Dengfeng Power Station project in Henan Province. The Dengfeng project will serve as the leading example of a project financed, mine mouth, coal-fired power station for an inland province. U.S. consortiums are also competing for the Dadong and Dalian power plants. U.S. technology in the production and operation of coal fired power plants is the best in the world.

Westmoreland Energy has an equity share agreement in the Zhangze Power project with Shanxi Power Bureau. This relationship is another example of U.S. private power producer interest in working with their Chinese counterparts to address the country's need to expand its generating capacity.

These companies are among the finest in the world, representing state-of-the-art technology in the production of electric power, with an excellent record of commitment and service to Chinese end-users. Their continued success will make possible an even greater commitment on the part of American suppliers and investors to China's electric power industry.

We are confident the U.S. bidders will provide competitive financing packages for these projects.

### BEIJING, SHANGHAI AND NANJING LUKO AIRPORTS

Lockheed and other U.S. suppliers are interested in current tenders for the Beijing and Shanghai airport projects. Greiner Engineering has been conducting project planning and preliminary engineering for the Nanjing Municipal Government for the past two years. It is competing for a \$2 million contract for terminal design engineering. ARINC, Parson, Brinckerhoff and as many as 35 potential U.S. equipment suppliers are pursuing opportunities associated with the new Harbin airport.

Greiner is a world leader in airport engineering whose credits include both Chesapeake, Maryland Bay Bridges, the Tampa, Florida International Airport, and, most recently, master planning for the immense new Chek Lap Kok Airport in Hong Kong. ARINC is a well-known transportation and communications systems company and Parsons, Brinckerhoff is one of the world's leading transportation engineers with credits that include project management for the new Taipei Metro and engineering for Hong Kong massive Chek Lap Kok International Airport.

These projects represent an opportunity to transfer high technology U.S. equipment and services into a showcase project. Greiner Engineering has obtained an Eximbank Preliminary Commitment to finance \$60 million in services and equipment for the New Nanjing Luko Airport. ARINC has applied for project financing from Eximbank. We believe it in our mutual interest for China to take advantage of favorable Eximbank terms coupled with unsurpassed U.S. aviation infrastructure expertise, technology, and equipment.

The U.S. is an undisputed leader in airport and aviation engineering, project management and safety. We could provide China with an unparalleled civil aviation infrastructure.

#### METRO SYSTEMS

We are aware that China has many major transit projects under consideration at this time. The American transit industry stands ready to offer its matchless experience and state-of-the-art technology to assist with their implementation. Technical cooperation between our two countries in the mass transit sector can provide China with the world's finest public transportation facilities.

With respect to Guangzhou Metro, General Railway Systems of Rochester, New York is competing for the \$30 million contract covering Phase One train control/signalling systems. GRS not only is a technical leader in U.S. transit projects, having installed systems for the Washington, D.C. Metro, but also has demonstrated its competence in China, where it is providing technology and equipment for the new Shanghai Metro, scheduled to open in the near future. GRS also has a joint venture with China Signalling, CASCO, which ensures Chinese as well as American content if selected for the Guangzhou train control/signalling contract.

Eximbank continues to offer a loan to support American bids for this project. The terms of the loan are the best ever offered by the bank in China and are fully competitive with the other financing offers on the table.

#### TELECOMMUNICATIONS INFRASTRUCTURE, INTERNET CONNECTIVITY SYSTEMS AND CIVILIAN REMOTE SENSING GROUND STATION PROJECTS

AT&T, Sprint and Hughes STX Corporation are building upon a new era of electronic information exchange between the U.S., China and the rest of the world. AT&T is competing to become a supplier of the planned national fiber optic network. The superiority

of AT&T technology is unsurpassed and was recognized by the Guangdong Province in its recent contract award to AT&T to supply similar equipment. Sprint is pursuing a contract with the Government of China to provide the first-ever Internet connection between China and the U.S. Hughes STX, a subsidiary of Hughes Aircraft Corp., is competing to develop a civilian remote sensing ground station in China that would incorporate U.S. advanced technology systems. U.S. companies winning these projects could help China meet the tremendous potential for growth in telecommunications.

#### LUOYANG PTA PROJECT

Foster Wheeler, a major U.S. firm, is competing for the Luoyang Purified Terephthalic Acid plant project to produce polyester for China. Foster Wheeler has the proven technology to produce PTA plants. This is the third such project to be designed and built by Foster Wheeler in China and an exact duplicate of the PTA project now under construction for Sinopec in Liaoyang. Selection of Foster Wheeler for this project will add to the growing commercial cooperative spirit between the U.S. and China.

#### BEIJING JEEP EXPANSION

Chrysler is competing to win the Beijing Jeep Expansion project, which will expand Chrysler's Beijing jeep facility to add production capacity for small passenger cars. Chrysler seeks to begin this project before 1996. Approving the project during the current five-year plan period would build upon the cooperative spirit between the U.S. and China.

#### MACHINERY PROJECTS

Ingersoll is competing for the Heavy-Duty Generator Rotor Slotting Machining Cell and the Horizontal Spindle Milling Machinery projects. The U.S. machinery industry is demonstrating a long-term commitment to China.

American machinery manufacturers are world leaders in technology and quality. Our industry has the experience to help China grow economically into the 21st century. We wish to express our strong support for the proposals of Ingersoll, and to underscore how important it is to us that American firms are successful in their efforts to win a fair share of the machinery market in China.